

EXECUTIVE SECRETARIAT**ROUTING SLIP**

TO:

		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI				
3	EXDIR				
4	D/ICS				
5	DDI				
6	DDA				
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/Pers				
14	D/OLL				
15	D/PAO				
16	SA/IA				
17	AO/DCI				
18	C/IPD/OIS				
19	NIO/ECON		X		
20	D/OGI		X		
21					
22					
SUSPENSE		_____ Date			

Remarks

Executive Secretary

9 Oct 85

Date

3637 (10-81)

STAT

EPC Minutes

THE WHITE HOUSE
WASHINGTON

3417/1

6 Sep 85

CABINET AFFAIRS STAFFING MEMORANDUM

Date: 10/7/85 Number: ----- Due By: -----Subject: Economic Policy Council Minutes:September 5, 6, 9, and 11 meetings

ALL CABINET MEMBERS	Action	FYI		Action	FYI
Vice President	<input type="checkbox"/>	<input checked="" type="checkbox"/>	CEA	<input type="checkbox"/>	<input checked="" type="checkbox"/>
State	<input type="checkbox"/>	<input checked="" type="checkbox"/>	CEQ	<input type="checkbox"/>	<input type="checkbox"/>
Treasury	<input type="checkbox"/>	<input checked="" type="checkbox"/>	OSTP	<input type="checkbox"/>	<input type="checkbox"/>
Defense	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Justice	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Interior	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Agriculture	<input type="checkbox"/>	<input checked="" type="checkbox"/>	McFarlane	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Commerce	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Svahn	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Labor	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Chew (For WH Staffing)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HHS	<input type="checkbox"/>	<input type="checkbox"/>	Hicks	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HUD	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Energy	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Chief of Staff	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Education	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
OMB	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Executive Secretary for:		
CIA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	DPC	<input type="checkbox"/>	<input checked="" type="checkbox"/>
UN	<input type="checkbox"/>	<input type="checkbox"/>	EPC	<input type="checkbox"/>	<input checked="" type="checkbox"/>
USTR	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GSA	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
EPA	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
NASA	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
OPM	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
VA	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
SBA	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Attached for your information are the minutes of the following Economic Policy Council meetings:

September 5

September 6

September 9

September 11

RETURN TO:

☒ Alfred H. Kingon
Cabinet Secretary
456-2823

(Ground Floor, West Wing)

☐ Don Clarey
☐ Rick Davis
☐ Ed Stucky

Associate Director

85- 3417/1

MINUTES
ECONOMIC POLICY COUNCIL

September 6, 1985
2:00 p.m.
Roosevelt Room

Attendees: Messrs. Baker, Block, Baldrige, Brock, Yeutter, Sprinkel, Wright, Boggs, Burnley, Kingon, McFarlane, Oglesby, McAllister, Khedouri, Danzansky, Low, Mulford, Smart, Smith, Stucky, and Wallis.

1. Trade Policy Strategy

Secretary Baker stated that the purpose of the meeting was to review the House Republican trade proposals and possible Administration trade legislation.

Ambassador Yeutter reviewed the House Republican proposals noting that the Administration has already enacted many of them or is including them in our trade statement. Strengthening the Foreign Commercial Service, requiring ambassadors to provide annual reports on their embassies' export expansion strategy, decontrolling exports of technology already available overseas, and improving cooperation on international financial issues are either a part of the Administration's trade strategy or consistent with it.

Ambassador Yeutter pointed out that the House Republicans proposed to amend the Export Administration Act to permit the export of Alaskan oil. Mr. Boggs noted that if Alaskan oil were exported to Japan, our bilateral trade deficit with Japan would be reduced by \$15 billion, but our overall merchandise trade deficit would remain the same because we would import oil from Mexico and Venezuela to make up for the Alaskan oil that would be going abroad. Secretary Baldrige stated that the Export Administration Act requires the Commerce Department to study the feasibility of exporting North Slope oil by April 1986. Mr. Burnley stated that exporting Alaskan oil would be strongly opposed by the maritime industry, raising both budgetary and national security questions. Mr. Boggs also noted that sales of oil may raise an anti-Japanese reaction in the United States.

The Council noted that the Administration is studying several of the proposals offered by the House Republicans, including improving the effectiveness of policies designed to assist workers displaced by imports and creating a broad based bipartisan commission on trade. The Council also noted that the Administration would oppose several of the House Republican proposals, including requiring the United States Trade Representative to take actions against countries declining to participate in a new round of multilateral negotiations;

Minutes
Economic Policy Council
September 6, 1985
Page two

delegating Presidential authority under Sections 201 and 301 to the United States Trade Representative; and changing Section 201 into an unfair trade remedy, which it is not now.

Ambassador Yeutter reviewed several legislative initiatives that might be part of a possible Administration trade bill. These included: seeking authority for a new round of trade negotiations; extending our non-tariff barrier authority, seeking authority to reduce tariffs, and seeking authority to offer compensation to other countries when the U.S. increases tariffs. Mr. Yeutter also stated that Administration legislation might better protect intellectual property rights by protecting against trade in articles that infringe U.S. process patents, extending the patent term for agricultural chemicals, and eliminating Freedom of Information Act abuses by giving affected companies notice and an opportunity to oppose release of their business confidential information.

Ambassador Yeutter stated that several other components of possible legislation might be improving the antidumping and countervailing duty laws by substituting a predictable pricing test for non-market economies, establishing a dispute settlement deadline on Section 301 cases, and establishing a fast track procedure for Section 201 cases on perishable agricultural items.

The Council's discussion focused on the advisability of the Administration proposing our own trade bill, likely Congressional allies, and the possibility that the bill might be expanded to such a degree that the President would have to veto it.

The Council also discussed the possibility of seeking a bipartisan commission on trade. Mr. McFarlane suggested that such a commission might help us resist protectionist legislation in the short term as a consensus develops about the long term agenda. He stressed that it is important that the United States and the President be in a strong position going into the Gorbachev summit. Several Council members expressed support for the commission as a long term approach, but questioned whether the commission would have a short term effect.

The Council briefly discussed how to communicate the President's trade policy, weighing the advantages and disadvantages of a televised speech.